GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:967
ANSWERED ON:24.11.2000
NINTH PLAN GROWTH TARGET
SADASHIVRAO DADOBA MANDLIK

Will the Minister of FINANCE be pleased to state:

(a) Whether the manufacturing sector will not be able to meet the Ninth Five Year Plan growth target of 7.1%;

(b) If so, the reasons therefor;

(c) Whether any efforts have been made by the Government to meet the growth target during the said plan;

(d) If so, the details thereof; and

(e) If not, the reasons therefor?

Answer

Minister of State in the Ministry of Finance (SHRI BALASAHEB VIKHE PATIL)

(a), & (b) According to the Central Statistical Organization(CSO), the growth rate of Manufacturing Sector, in terms of value added production at constant prices, during 1997-98, 1998-99 and 1999-00 (the first three years of the Ninth Five Year Plan 1997-2002) had been 4.0%, 3.6% and 8.5% respectively. In the current financial year (2000-01) during the first quarter (April-June 2000), as per CSO estimates, manufacturing value added production recorded a growth rate of 5.5%. There are indications of a slowdown in industrial growth in recent months for various reasons, including the sharp increase in international oil prices, a relatively weak intermediate demand and sluggish investment sentiment.

(c) , (d) & (e) Government has undertaken a series of measures to boost investment confidence. These include mobilization of over US $ 5 billion through Indian Millennium Deposits (IMD)rapid reforms in key sectors such as telecom and textiles and sound fiscal management.